

REGULAR MEETING OF THE CANTON CITY COUNCIL
6:00 P.M., TUESDAY, JULY 21, 2015
Canton Municipal Courtroom
24980 Hwy 64 East, Canton, Texas 75103

MINUTES

The Canton City Council met at the above-named date and time in the City Municipal Courtroom. Members present were Mayor Lou Ann Everett and Councilmembers Shawn Stewart, Nathan Moore, Cindy Malouf, Connie Odic and Scott Perkins. Also present were City Manager Lonny Cluck, City Secretary Debra Johnson, Municipal Court Judge Lilia Durham, Fire Chief Bud Sanford and CEDC Executive Director Julie Seymore. City Attorney Ron Stutes was also in attendance.

1. CALL TO ORDER - The meeting was called to order and a quorum was declared by Mayor Lou Ann Everett at 5:59 p.m.
2. INVOCATION was led by Dr. Mike Burns of Victory Church.
3. PLEDGE OF ALLEGIANCE was led by Mayor Everett.
4. MAYOR'S WELCOME – Mayor Everett welcomed everyone to the meeting.
5. DECLARATIONS REGARDING CONFLICTS OF INTEREST - None
6. PROCLAMATIONS AND ANNOUNCEMENTS - None

CITIZENS FORUM

7. CITIZENS FORUM – CITIZENS ARE INVITED TO SPEAK FOR THREE (3) MINUTES ON MATTERS RELATING TO CITY GOVERNMENT THAT ARE NOT LISTED ON THE REGULAR AGENDA - None

CONSENT AGENDA

8. CONSIDER APPROVAL OF MINUTES OF THE JUNE 11, 16, AND 29, 2015 CITY COUNCIL MEETINGS
9. CONSIDER APPROVAL OF JUNE 2015 FINANCIAL STATEMENTS – Councilmember Stewart made a motion to approve all items on the Consent Agenda. Councilmember Odic seconded.

Mayor Pro Tem - Shawn Stewart: Approve
Council Member - Scott Perkins: Approve
Council Member - Cindy Malouf: Approve
Council Member - Connie Odic: Approve
Council Member - Nathan Moore: Approve

INDIVIDUAL CONSIDERATION

25. WORK SESSION ON PROPOSED BUDGET - 6:03 PM– (TAKEN OUT OF ORDER) –

Scott Hyde, Van Zandt County Appraisal District, explained the tax rate.

10. DISCUSS AND CONSIDER TIMING OF BIDS FOR MILL CREEK LAKE TRAIL - (Discussed at 6:28 p.m.) – Councilmember Malouf made a motion to move forward with the Mill Creek Lake Trail Project. Councilmember Stewart seconded.

Mayor Pro Tem - Shawn Stewart: Approve
Council Member - Scott Perkins: Approve
Council Member - Cindy Malouf: Approve
Council Member - Connie Odic: Approve
Council Member - Nathan Moore: Approve

11. CONSIDER GIVING PERMISSION TO MASONS TO SET CORNERSTONE FOR NEW CITY HALL BUILDING – Councilmember Malouf made a motion to give permission to the Masons to set the cornerstone for the new city hall. Councilmember Moore seconded.

Mayor Pro Tem - Shawn Stewart: Approve
Council Member - Scott Perkins: Approve
Council Member - Cindy Malouf: Approve
Council Member - Connie Odic: Approve
Council Member - Nathan Moore: Approve

12. CONSIDER AWARD OF CONTRACT FOR AUDITING FIRM FOR CITY/CEDC AUDITING SERVICES

Three RFP's were received by the following firms:
Conway & Associates – Greenville, Texas
Brooks Cardiel – Houston, Texas
Protturo, Wilhemi – Tyler, Texas

Councilmember Moore made a motion to contract with Brooks Cardiel as auditors for a three-year period. Councilmember Perkins seconded.

Mayor Pro Tem - Shawn Stewart: Approve
Council Member - Scott Perkins: Approve
Council Member - Cindy Malouf: Approve
Council Member - Connie Odic: Approve
Council Member - Nathan Moore: Approve

13. CONSIDER ADOPTION OF ORDINANCE NO. 2015-11 ESTABLISHING MAXIMUM REASONABLE AND PRUDENT RATES OF SPEED ON I-20 SERVICE ROADS FROM HWY 19 TO FM 859 – Councilmember Perkins made a motion to adopt Ordinance No. 2015-11. Councilmember Odic seconded.

Mayor Pro Tem - Shawn Stewart: Approve
Council Member - Scott Perkins: Approve
Council Member - Cindy Malouf: Approve
Council Member - Connie Odic: Approve
Council Member - Nathan Moore: Approve

14. CONSIDER APPROVAL OF PRELIMINARY PLAT OF TRADERS SQUARE ADDITION

LOCATED AT 301 HWY 243 EAST, IN THE CITY OF CANTON, TEXAS, OWNED BY TRADERS SQUARE INVESTMENT LTD. – Councilmember Stewart made a motion to approve the preliminary plat for Traders Square Addition. Councilmember Malouf seconded.

Mayor Pro Tem - Shawn Stewart: Approve
Council Member - Scott Perkins: Approve
Council Member - Cindy Malouf: Approve
Council Member - Connie Odic: Approve
Council Member - Nathan Moore: Approve

15. CONSIDER APPROVAL OF FINAL PLAT OF TRADERS SQUARE ADDITION LOCATED AT 301 HWY 243 EAST, IN THE CITY OF CANTON, TEXAS, OWNED BY TRADERS SQUARE INVESTMENT LTD. – Councilmember Stewart made a motion to approve the final plat of Traders Square Addition. Councilmember Perkins seconded.

Mayor Pro Tem - Shawn Stewart: Approve
Council Member - Scott Perkins: Approve
Council Member - Cindy Malouf: Approve
Council Member - Connie Odic: Approve
Council Member - Nathan Moore: Approve

16. DISCUSS PROPOSED CHANGES TO GATEWAY DISTRICT ZONING CLASSIFICATION – Mayor Everett requested this matter be considered by the Planning & Zoning Commission to bring back a recommendation to Council on how to proceed.
17. CONSIDER ADOPTION OF ORDINANCE NO. 2015-12 REGULATION OF INVISIBLE FENCING – Mayor Everett postponed this item for a later time.
18. APPOINT COMMITTEE FOR CITY HALL DESIGN – Mayor Everett appointed Councilmembers Cindy Malouf and Connie Odic, City Secretary Debra Johnson and design consultant Lucia Deen to a Committee for the City Hall Design.
19. CONSIDER DESIGN, CONSTRUCTION AND FINANCING OF PROJECTS INCLUDING, BUT NOT LIMITED TO, STREETS AND UTILITIES, IMPROVEMENTS TO FIRST MONDAY GROUNDS, CONSTRUCTION OF NEW CELL TOWER, RELOCATION OF ANTENNAS FROM HISTORIC WATER TOWER, REPAINTING OF HISTORIC WATER TOWER, AND NEW CITY HALL – No report
20. CITY MANAGEMENT REPORTS
 - A. FIRST MONDAY – Mr. Cluck said they expected a bad First Monday in August.
 - B. CITY HALL RENOVATION – Mr. Cluck said they received no bids. They were going to split the bids into two – one for asbestos abatement and one for building renovation.
 - C. FINANCIAL – Kim Kroha said First Monday revenue was down. She said it was probably due to the way First Monday fell during the month. The utility revenue fund was also lower than expected.
 - D. OTHER ITEMS – Mr. Cluck said the condemnation letter had been sent and a hearing was the next step. Chief Sanford said there has been a good response to the code enforcement officer when he checked on complaints.

EXECUTIVE SESSION

In accordance with the authority contained in Sections 551.071 and 551.072 of the Open Meetings Law, Chapter 551, Govt. Code, Vernon's Texas Codes Annotated, Council will convene in closed or executive session to discuss the following matters.

21. EXECUTIVE SESSION FOR DELIBERATIONS WITH CITY ATTORNEY REGARDING UPDATE ON LAWSUIT – BEMENT VS. BRADSHAW, ET AL (Section 551.071)
22. EXECUTIVE SESSION FOR DELIBERATIONS WITH CITY ATTORNEY REGARDING POTENTIAL SALE, PURCHASE, LEASE OR VALUE OF REAL PROPERTY (Section 551.072) – Mayor Everett convened into Executive Session at 7:41 p.m.

RETURN TO OPEN SESSION

23. RECONVENE TO OPEN SESSION AND CONSIDER ACTION, IF ANY, ON ITEMS DISCUSSED IN EXECUTIVE SESSION – Council reconvened into open session with no action taken at 7:59 p.m.

WORK SESSION

24. WORK SESSION ON PROPOSED BUDGET FOR FISCAL YEAR 2015-2016
 - A. PROPERTY TAX RATE
 - B. WATER AND WASTEWATER RATES
 - C. PROJECTS / TRADEOFFS
 - D. EMPLOYMENT/SALARY RAISES/BENEFITS
 - E. CHANGES / QUESTIONS

Ms. Kroha reviewed the capital projects for First Monday – an electrical upgrade at the RV park for \$25,000; repair of roads for \$50,000, a storage shed for \$30,000, retaining walls at the creek for \$25,000, and \$9,500 for a backhoe attachment to the skid steer. Ms. Kroha said the Fire Department was going to be able to get \$50,000 more for additional sirens from ETCOG. It was 100% reimbursable. The architectural barriers at City Hall were estimated at \$158,125, the Cherry Creek Park Trail was estimated at \$85,995. \$242,650 was allocated in the budget for the new city hall. Councilmember Stewart felt the only way to make the Mill Creek Trail project work was to scale the project back again. Councilmember Odic suggested a company be contacted about donating to the trail.

Ms. Kroha pointed out a notable expenditure in development services for property demolition in the amount of \$15,000. They also added a line item in the Fire Department for code enforcement. An additional \$38,000 was added for the Lazy U survey and fence removal. Mr. Cluck said several people built over the easement and the City needed to work on the water and sewer lines. He intended to write the property owners to ask them to remove their fences and buildings from the easement so the work could be done.

Councilmember Stewart suggested Captain Horton go door to door and hand deliver the letters.

Ms. Kroha advised if we kept the same tax rate as last year, we would have an additional \$90,000 to be used for M&O. Mr. Cluck said they had \$150,000 the new cell tower and \$150,000 for painting the historic water tower that were not in the budget. The City had also obligated itself for \$250,000 for support of the hotel. He suggested the \$200,000 be taken from the First Monday fund because it had over \$600,000 above the six months recommended amount in its fund balance. Councilmember Moore asked if the historic water tower had to be painted this year. Mr. Cluck said it could wait. It would be shrouded when they painted it so it should not mar the new city hall.

Mr. Cluck recommended each employee received a 5% increase in salary and allocate 2% for market adjustments. It would make us more competitive with other cities. Councilmember Stewart said the City of Canton was in good financial condition because of its employees. Mr. Cluck said the 5% increase did not pertain to First Monday monthly employees.

25. ITEMS FOR FUTURE AGENDAS - None
26. ADJOURN – There being no further business to discuss, Mayor Everett adjourned the meeting at 8:55 p.m.